

# SENATE BILL REPORT

## ESB 5699

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As Passed Senate, March 12, 2013

**Title:** An act relating to electronic product recycling.

**Brief Description:** Concerning electronic product recycling.

**Sponsors:** Senators Ericksen and Kline.

**Brief History:**

**Committee Activity:** Energy, Environment & Telecommunications: 2/19/13 [DP].  
Passed Senate: 3/12/13, 46-3.

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### SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

**Majority Report:** Do pass.

Signed by Senators Ericksen, Chair; Sheldon, Vice Chair; Ranker, Ranking Member; Billig, Brown, Chase, Cleveland, Honeyford and Litzow.

**Staff:** Jan Odano (786-7486)

**Background:** The E-Cycle program provides free recycling of a covered electronic product (CEP), which includes computers, monitors, laptops, and televisions, for households, charities, small businesses, school districts, and small governments.

Manufacturers of CEPs include entities that:

- have legal ownership of the brand, brand name, or cobrand of a CEP;
- import a CEP branded by a manufacturer that has no physical presence in the United States; and
- sell at retail an imported CEP and choose to register in place of the manufacturer.

All manufacturers of a CEP sold, or previously sold, in or into the state must participate in a recycling plan that provides for collecting, transporting, and recycling of CEPs. Manufacturers are automatically included as participants in the standard plan. If certain criteria are met, a manufacturer or group of manufacturers may implement their own independent plan.

The Department of Ecology (Ecology) reviews all plans for compliance and operation and enforces the E-Cycle law. The Washington Materials Management and Financing Authority

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(WWMFA), created under the E-Cycle law, is responsible for implementing the standard plan. The membership of WWMFA is comprised of participating manufacturers of CEPs who are not participating in an independent plan.

WWMFA duties and operations are funded by participating manufacturers. WWMFA assesses a charge, based on return share, market share, or a combination of the two, to each manufacturer to cover the costs of collecting, transporting, and recycling of its equivalent share of CEPs. The return share is the percentage by weight of CEPs collected during the year through the E-Cycle program. Market share is the percentage by weight of CEPs sold in the state.

**Summary of Engrossed Bill:** Beginning in 2015, funding of the E-Cycle program is based on market share. The method to determine market share is provided. Manufacturers must provide the total weight of CEPs sold in-state or nationwide for the program year. The sales information is exempt from public disclosure.

The E-Cycle program provisions are revised to reflect the use of market share beginning in 2015.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: The bill clarifies that if a covered electronic product has an image or logo, the company licensing the image is not a manufacturer of a covered electronic product. We need to ensure that under the license agreement, the licensor of logos is not required to participate in the recycling program.

OTHER: The law was never intended to impact this group. The bill may have unintended consequences of shifting financial burden to others who have to pay for orphan products. This could be resolved in the licensing agreement between the licensor and licensee.

**Persons Testifying:** PRO: Senator Billig, prime sponsor; TK Bentler, Motion Picture Assn.

OTHER: Suellen Mele, Zero Waste WA; Laurie Davies, Dept. of Ecology